



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

| Representatives Present During the Inspection: | | | | |
|--|------------------|--|--|--|
| Company | Kenneth Fleck | | | |
| OGM | Karl Houskeeper | | | |
| OGM | Priscilla Burton | | | |

Inspection Report

| Permit Number: | C0150018 | | | |
|------------------|-----------------------------|--|--|--|
| Inspection Type: | PARTIAL | | | |
| Inspection Date: | Monday, November 26, 2012 | | | |
| Start Date/Time: | 11/26/2012 11:00:00 AM | | | |
| End Date/Time: | 11/26/2012 3:00:00 PM | | | |
| Last Inspection: | Wednesday, October 10, 2012 | | | |

Inspector: Karl Houskeeper,

Weather: Clear Skies, Temp. 39 Deg. F. InspectionID Report Number: 3307

Accepted by: jhelfric

11/29/2012

Permitee: PACIFICORP

Operator: ENERGY WEST MINING CO

Site: DEER CREEK MINE

Address: PO BOX 310, HUNTINGTON UT 84528

County: EMERY

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

| Total Permitted | 19,936.88 | | |
|-----------------|-----------|--|--|
| Total Disturbed | 91.63 | | |
| Phase I | 0.60 | | |
| Phase II | 0.60 | | |
| Phase III | 0.60 | | |

Mineral Ownership Types of Operations

✓ Federal ✓ Underground State Surface Loadout County Processing ✓ Fee Reprocessing Other

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Karl R. Houskeeper

Inspector's Signature:

Karl Houskeeper,

Inspector ID Number: 49



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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.

b. For PARTIAL inspections check only the elements evaluated.

- Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
 Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | | Evaluated | Not Applicable | Comment | Enforcement |
|------|---|-----------|----------------|----------|-------------|
| 1. | Permits, Change, Transfer, Renewal, Sale | | | | |
| 2. | Signs and Markers | V | | ✓ | |
| 3. | Topsoil | V | | ✓ | |
| 4.a | Hydrologic Balance: Diversions | ✓ | | ✓ | |
| 4.b | Hydrologic Balance: Sediment Ponds and Impoundments | ~ | | ✓ | |
| 4.¢ | Hydrologic Balance: Other Sediment Control Measures | | | | |
| 4.d | Hydrologic Balance: Water Monitoring | | | | |
| 4.e | Hydrologic Balance: Effluent Limitations | | | | |
| 5. | Explosives | | | | |
| 6. | Disposal of Excess Spoil, Fills, Benches | | | | |
| 7. | Coal Mine Waste, Refuse Piles, Impoundments | ~ | | ✓ | |
| 8. | Noncoal Waste | | | | |
| 9. | Protection of Fish, Wildlife and Related Environmental Issues | | | | |
| 10. | Slides and Other Damage | | | | |
| 11. | Contemporaneous Reclamation | | | | |
| 12. | Backfilling And Grading | | | | |
| 13. | Revegetation | | | | |
| 14. | Subsidence Control | | | | |
| 15. | Cessation of Operations | | | | |
| 16.8 | a Roads: Construction, Maintenance, Surfacing | | | | |
| 16.t | o Roads: Drainage Controls | | | | |
| 17. | Other Transportation Facilities | | | | |
| 18. | Support Facilities, Utility Installations | | | | |
| 19. | AVS Check | | | | |
| 20. | Air Quality Permit | | | | |
| 21. | Bonding and Insurance | | | | |
| 22. | Other | ✓ | | V | |

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2. Signs and Markers

The mine identification signs at the waste rock site, main facility, and rilda canyon were in place, uniform and contained the required information.

3. Topsoil

Signs were observed on the topsoil piles and appropriate protection measures are in place.

4.a Hydrologic Balance: Diversions

The culvert at the base of the main fan access road has been removed and an open channel is now in place. A map showing this change is being prepared for submission to the Division.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The main sediment pond cleaning is completed. Material removed from the pond is visible at the waste rock site.

7. Coal Mine Waste, Refuse Piles, Impoundments

The waste rock site appeared stable. No visible hazards were observed. The site has been active this quarter.

22. Other

North Emery Water Users are making improvements to the spring in Rilda Canyon.